(c) Government is fully alert and vigilant in its anti-smuggling efforts.

Customs duty on integrated circuits

164. SHRI S. MADHAVAN : Will the Minister of FINANCE be pleased to state :

(a) whether Government have formulated a graded customs duty structure for raw materials, piece parts and components;

(b) if so, what are the percentages for these;

(c) what is the percentage of customs duty levied on integrated circuits;

(d) what is the percentage of customs duty levied on the diffused IC chips in the form of silicon transfers which is imported as raw material for the manufacture of the integrated circuits;

(e) whether it is a fact that a higher duty is levied for the constituent raw material input than the duty levied on the finished products; and

(f) if so, whether it will not affect the manufacture of the finished product in India as the raw material has to be imported ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) -. (a) to (c) Government have prescribed, subject to certain conditions, graded concessional import duty structure for specified items of raw materials, piece parts and components used in the electronics industry.

With effect from 28-2-1993, the rates of import duty are as under :—

(i) on specified raw materials .. 20%

(ii) on specified piece parts .. 35%

(iii) on specified electronic components including integrated circuits 50 %

In addition, the above items attract appropriate additional duty of customs (countervailing duty) leviable under Section 3 of the Customs Tariff Act, 1975.

(d) Silicon in the form of diffused wafers, disc or chips for manufacture of hybrid micro-circuits or semi-conductor devices attracts a total import duty of 75%.

(e) and (f) To the extent feasible import duty on raw materials is kept at a lower level than on the finished products, so that products manufactured in India are not affected.

Setting up of branches of commercial banks in Andhra Pradesh

165. SHRI V. HANUMANTHA RAO . Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to set up new branches of different commercial banks in Andhra Pradesh during the Eighth Five Year Plan period; and

(b) if so, what are the details thereof and the location identified for the purpose ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) and (b) Reserve Bank of India (RBI) has not fixed any State-wise or Year-wise targets for opening of bank branches. Under the new branch licensing policy, the banks which have attained the revised capital adequacy norms and prudential accounting standards will be given freedom to set up new branches. Under the new policy, RBI has allotted 159 centres to public sector banks for opening their branches in Andhra Pradesh. Locations of these centres are given in the statement.